



Date: January 12, 2021
Current Meeting: January 21, 2021
Board Meeting: January 28, 2021

BOARD MEMORANDUM

TO: Indianapolis Public Transportation Corporation Board of Directors
THROUGH: President/CEO Inez P. Evans
FROM: Chief Information Officer Marcus Burnside
SUBJECT: Consideration and Approval of Microsoft Licensing Renewal

ACTION ITEM A – 8

RECOMMENDATION:

In a manner consistent with IPTC procurement award standards, it is requested that the Board authorize the President/CEO to renew the Microsoft Annual Licensing for Year 3 of the 3-Year Microsoft Enterprise Agreement (EA) with CDW , LLC., in an amount not to exceed \$160,680.00.

BACKGROUND:

In 2019, IPTC purchased a Microsoft Enterprise Agreement (EA) through CDW, LLC., (a Microsoft Enterprise Gold Partner) for Microsoft products including Microsoft Office (Word, Excel, PowerPoint, etc.), Visio, Project, SharePoint, Office 365 cloud-based email, Windows Server, Azure Cloud Instance, and Dynamics AX 2012 (on-premise). The purpose of entering into a Microsoft Enterprise Agreement (EA) for licensing is to lock in the cost of subscription licenses over a 3-year period without inflation. The benefits are 1) IPTC would not pay for any license listed in the EA for more than the stated price, and 2) IPTC would benefit from decreases in subscription licenses during the term (if the costs decrease, so will our annual renewal).

DISCUSSION:

In Q4 2021, IPTC will be publishing a solicitation for a new 3-year Microsoft Enterprise Agreement (EA) with the objective to request Board approval for the awarded bidder in January 2022. Over the term of the current Microsoft Enterprise Agreement (EA), IPTC will be assessing the need for subscription-based end-user software licenses (i.e. Microsoft Office) versus purchasing said licenses outright with Software Assurance through our Microsoft Volume Licensing program (software with discounts via volume purchases in an effort to decrease Microsoft subscription licensing costs. The current term ends March 31, 2022.

ALTERNATIVES:

The Board could choose to not to renew the current Microsoft Enterprise Agreement (EA). However, IPTC will no longer have Microsoft licensed products including corporate email.

FISCAL IMPACT:

The cost of our Microsoft subscription licensing was \$143,925.00 in 2020. The 10.5% increase in costs are due to the increase of projected administrative staff in 2021. For example, Mobility Services will be transitioning Transdev's

Dispatch and Reservation employees under IPTC, which will require additional licenses for those new employees to perform their day-to-day job functions. For Microsoft Dynamics 365 (D365), IPTC will be exploring the cost variance between pricing with our Microsoft Enterprise Agreement (EA) and the selected D365 Cloud Service Provider vendor (CSP). If the CSP pricing is discounted more than our EA pricing, we will incorporate the D365 licensing with the selected CSP. The projected Microsoft licensing costs for FY2022 to FY2025 cannot be fully realized at this time; however, we will continue our efforts to keep Microsoft subscription costs to minimum levels.

DBE DECLARATION:

This project will be funded locally, therefore, DBE goals will not apply.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

This action was not reviewed by the Finance Committee or Service Committee on January 21, 2021.